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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/664,853	09/22/2003	Abraham Blau	1078MOB-US	4306
32964	7590	07/23/2007	EXAMINER	
DEKEL PATENT LTD., DAVID KLEIN			LEVINE, ADAM L	
BEIT HAROF'IM				
18 MENUHA VENAHALA STREET, ROOM 27			ART UNIT	PAPER NUMBER
REHOVOT, 76209				3625
ISRAEL				
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			07/23/2007	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)
	10/664,853	BLAU, ABRAHAM
	Examiner Adam Levine	Art Unit 3625

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) Responsive to communication(s) filed on 21 June 2007.
 2a) This action is FINAL. 2b) This action is non-final.
 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) Claim(s) 1-15 is/are pending in the application.
 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
 5) Claim(s) _____ is/are allowed.
 6) Claim(s) 1-15 is/are rejected.
 7) Claim(s) _____ is/are objected to.
 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) The specification is objected to by the Examiner.
 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.
 Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
 Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) Notice of References Cited (PTO-892) 4) Interview Summary (PTO-413)
 2) Notice of Draftsperson's Patent Drawing Review (PTO-948) Paper No(s)/Mail Date. _____.
 3) Information Disclosure Statement(s) (PTO/SB/08)
 Paper No(s)/Mail Date _____. 5) Notice of Informal Patent Application
 6) Other: _____.

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on June 21, 2007, has been entered.

Response to Amendment

Applicant's reply of June 21, 2007, was filed in response to the office action dated February 21, 2007. The reply included no amendments, but did include remarks. The remarks will be addressed in this office action. Claims 1-15 are pending. It is noted that the claim listing is technically noncompliant because it includes claims 16-24, drawn to inventions nonelected without traverse by way of an authorized email communication from David Klein (Reg. No. 41,118) on January 31, 2007, affirmed by applicant in the reply filed on November 26, 2006. A complete reply to the final rejection must include cancellation of nonelected claims or other appropriate action (37 CFR 1.144) See MPEP § 821.01. As these claims were nonelected without traverse the status indicator for claims 16-24 should read, "cancelled." This error went unnoticed in

pre-processing and the examiner has chosen to disregard it and proceed with examination.

Response to Arguments

Pertaining to priority

Acknowledgment is made of applicant's claim for foreign priority based on a PCT application filed in Israel on March 19, 2002. It is noted, however, that applicant has not filed a certified copy of the PCT application as required by 35 U.S.C. 119(b).

Applicant's assertion that the present application is a "CIP national phase" of the PCT is incorrect. There is no such description in the parlance. It is assumed the applicant intends to refer to the present application as a continuation in part of the national stage of the PCT application. Unfortunately, this would also be an incorrect statement. The present application is a "bypass" application that has been filed in the US as a continuing application of the international (PCT) application under 35 USC § 111(a) without the PCT application having entered the national stage. The present application may properly claim priority to the PCT application, but because the PCT application has not entered the US by fulfilling the requirements of 35 USC §371, the national stage application papers have not been filed. Therefore, contrary to applicant's assertion, a copy of the PCT application has not been filed with the USPTO. It is also noted, perhaps tangentially, that applicant has not submitted the attested form PCT/IB/308 referred to in the remarks.

Pertaining to rejection under 35 USC§102(a) in the previous office action

Applicant's arguments filed June 21, 2007, have been fully considered but they are not persuasive.

Applicant argues that the prior art does not contemplate "selection of the offerer that sells said digital item and selection of the requester that buys said digital item is determined not only by a bid price made by the requester and an ask price made by the offerer but also by the available bandwidth of the offerer and the requester." Because the portion of the prior art cited in the previous action, and restated in its entirety in applicant's remarks does in fact describe customers (requester that buys) and market makers (offerer that sells) being selected by respective bid and ask price and available bandwidth, applicant's argument is understood as intending to focus on the statement that, in the prior art, "trading for bandwidth ... has nothing to do with the auction of the digital item." See page 8 line 17. Unfortunately, this argument does not withstand scrutiny because the definition of "digital item" in the present specification includes bandwidth. That is, bandwidth is a "digital item" as defined by applicant in the present description (see at least abstract, page 1 ¶0002).

With regard to applicant's argument that the prior art does not sell the item on condition of "a minimum level of rating of the offerer and the requester, wherein said level of rating is a function of a behavior of a user with other users," it is noted that the claim includes this condition in a list of several optional conditions. The claim language only requires one of the options, therefore the prior art needs contain only one of the options in order to anticipate the claim.

Examiner cites particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the claims, other passages and figures may apply as well. It is respectfully requested that, in preparing responses, the applicant fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Priority

Applicant's claim for the benefit of a prior-filed application under 35 U.S.C. 119(e) or under 35 U.S.C. 120, 121, or 365(c) is acknowledged. Applicant has not complied with one or more conditions for receiving the benefit of an earlier filing date as follows:

Acknowledgment is made of applicant's claim for foreign priority based on a PCT application filed in Israel on March 19, 2002. It is noted, however, that applicant has not filed a certified copy of the PCT application as required by 35 U.S.C. 119(b). Applicant cannot rely upon the foreign priority papers to overcome a rejection because an English language translation of said papers has not been made of record in accordance with 37 CFR 1.55. See MPEP § 201.15. Since a provisional application could not have been filed more than one year prior to the filing of a nonprovisional application that claims benefit to the provisional application, in order to overcome a rejection under 35 U.S.C. 102 there must be at least one intermediate application between the provisional

application and the nonprovisional application under examination, e.g., chain of prior applications, in order to overcome the rejection. See MPEP § 201.11.

The later-filed application must be an application for a patent for an invention that is also disclosed in the prior application (the parent or original nonprovisional application or provisional application). The disclosure of the invention in the parent application and in the later-filed application must be sufficient to comply with the requirements of the first paragraph of 35 U.S.C. 112. See *Transco Products, Inc. v. Performance Contracting, Inc.*, 38 F.3d 551, 32 USPQ2d 1077 (Fed. Cir. 1994).

The disclosure of the prior-filed application, Application No. 60/277,064, fails to provide adequate support or enablement in the manner provided by the first paragraph of 35 U.S.C. 112 for one or more claims of this application. The US provisional application supports claims 16 and 20 of the originally filed application prior to restriction but does not provide adequate support or enablement for elected claims 1-15.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

1. Claims 1-15 are rejected under 35 U.S.C. 102(a) as being anticipated by Mikurak (US Patent No. 6,606,744).

Mikurak teaches all the limitations of Claims 1-15. For example, Mikurak discloses a network based supply chain distribution environment allowing collaborative order management between buyers, vendors, resellers, manufacturers, and other parties, including the distribution of digital items, providing search capabilities, and the secure handling and control of electronically stored items while protecting the rights of participants. Mikurak further discloses:

- auctioning a digital item for sale from an offerer of said digital item who is authorized to sell said digital item: reverse auctioning a digital item for buying by a requester of said digital item (see at least column 121 lines 5-19); transactable only if offerer has a minimum upload communication bandwidth, requester has a minimum download communication bandwidth, minimum bid price, minimum number of requesters, minimum number of offerers, and/or minimum level of rating of offerer and requester wherein level of rating is a function of behavior of user (see at least column 27 lines 38-49, column 40 lines 19-35, column 172 lines 50-56, column 261 lines 21-40. Please note: in any system involving electronic transmission of items, a minimum upload communication bandwidth on one end and a minimum download communication bandwidth on the other is an inherent requirement); finding the best price for the item (see at least column 222 lines 17-31, column 297 lines 28-48), transferring item from the offerer to the requester (see at least figs.66,67,75,96,106-107; column 28 lines 21-27, column 89 line 9 – column 90 line 28, column 92 lines 11-35, column 102 lines 9-41, column 181 lines 17-50), and transferring money for said item between the

requester and the offerer (see at least figs.61,63,75,79,106-107,131, column 47 lines 42-53, column 77 line 54 – column 78 line 9, column 93 line 62 – column 94 line 21, column 102 line 28 - column 103 line 25); paying a royalty to a copyright owner upon selling digital item (see at least column 90 line 60 – column 91 line 14, column 115 lines 35-61, column 116 line 56 – column 117 line 53. Please note: said royalty inherently comprises at least one of a percentage of the price, a fixed value, a value dependent on the users characteristics, and a value dependent on the item characteristics); presenting names of digital items before making them available for transfer between users and entering a request in advance for a digital item and transferring it when it becomes available, entering a request in advance for a digital item and offering a price to another user who makes said item available (see at least figs.55-56,58-65,132-133; column 24 lines 8-25,40-49; column 25 lines 19-37, column 96 lines 20-54); permitting a user to choose between auctioning an item for sale and reverse auctioning an item to buy (see at least column 121 lines 5-19. Please note: where user registers a request for an item, leading to offered terms by parties that can provide the item, this is a reverse auction).

- selling digital item by uploading to a requester: (see at least column 28 lines 36-46, column 97 lines 26-39, column 191 line 7-column 193 line 5. Downloading and passing the item to additional parties inherently includes uploading).
- requester, upon purchasing and downloading digital item, is authorized to become another offerer: (see at least column 122 line 29- column 123 line 12,

column 279 line 51 – column 280 line 29. Please note: Where a provider buys an item from a distributor that purchases the item from a supplier, or vice versa, the distributor is a requestor that is authorized to become another offerer. The provider is also a requestor authorized to become an offerer when it resells the item to the end user or customer).

- capability of offerer to transfer and sell is a function of at least one of a download capability and an upload capability of offerer: (see at least column 279 line 51 – column 280 line 29. Please note: in any system involving electronic transmission of items, the capability of the parties to transfer and sell is inherently a function of the parties' download and upload capabilities.); before selling item, checking bandwidth of offerer and requester, selection of offerer that sells and requester that buys said digital item is determined by bid price, ask price, and available bandwidth of offerer and requester (see at least column 293 line 44 – column 294 line 9).
- automatically downloading and uploading digital items in accordance with criteria that improve profits of a user: (see at least column 247 lines 47-54, column 248 lines 10-19).
- providing user accounts for transfer of money from one account to another account: (see at least figs.26,142-142; column 47 lines 54-63, column 93 line 62 – column 94 line 21, column 101 lines 16-31, column 103 lines 20-25, column 272 line 47 – column 273 line 9).

- dividing users with a minimum amount of free bandwidth into a list of requesters and a list of offerers: selecting a pair of users comprising a requester and an offerer in accordance with a selection criterion, wherein criterion comprises at least one of an availability of bandwidth, a bid price, and an ask price, and transferring a digital item between the selected requester and the selected offerer (see at least column 283 line 48 – column 284 line 54, column 292 lines 5-22. Please note: sorting said lists in accordance with a sorting criterion and selecting the said pair as the two first users from the sorted lists the same as selecting a pair of users in accordance with a selection criterion); sorting criterion comprises at least one of a request price, an offer price, time of requesting, time of offering, and proximity of the users in a plurality of the pairs (see at least column 283 line 48 – column 284 line 54, column 292 lines 5-22).
- searching for said digital item prior to requesting or offering said digital item: displaying a plurality of lists of keywords and an amount of items that would be found if a keyword from one of said lists were combined with the selected keyword from another of said lists, keywords combinable in a Boolean expression (see at least figs.57-59, column 98 line 54 – column 99 line 60, column 128 line 62 – column 129 line 5, column 159 lines 8-20, column 181 line 51 – column 182 line 10).

Conclusion

All claims are drawn to the same invention claimed in the application prior to the entry of the submission under 37 CFR 1.114 and could have been finally rejected on the grounds and art of record in the next Office action if they had been entered in the application prior to entry under 37 CFR 1.114. Accordingly, **THIS ACTION IS MADE FINAL** even though it is a first action after the filing of a request for continued examination and the submission under 37 CFR 1.114. See MPEP § 706.07(b).

Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

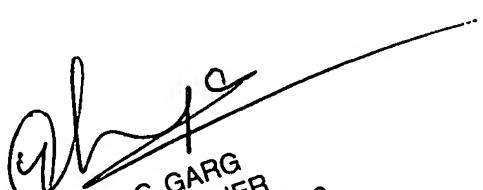
This application contains claims 16-24, drawn to an invention nonelected without traverse in the reply filed on November 26, 2006. A complete reply to the final rejection must include cancellation of nonelected claims or other appropriate action (37 CFR 1.144) See MPEP § 821.01.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Adam Levine whose telephone number is 571.272.8122. The examiner can normally be reached on M-F, 8:30-5:00 Eastern.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Jeffrey A. Smith can be reached on 571.272.6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Adam Levine
Patent Examiner
July 13, 2007



YOGESH C. GARG
PRIMARY EXAMINER
TECHNOLOGY CENTER 3600